

APR 6 1979

LEASE

International  
Airport

THIS LEASE, made between King County, a political subdivision of the State of Washington, LESSOR, and Famco Transport, Inc., LESSEE,

W I T N E S S E T H:

That the parties hereto do hereby mutually agree as follows:

1. LEASED PREMISES. King County leases to Lessee and Lessee leases from King County the premises in King County, Washington, described as follows:

An irregularly shaped tract of land located within the North  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 29, Township 24 North, Range 4 East, Willamette Meridian, described as follows:

PARCEL "A"

"Beginning at the monumented centerline of right-of-way intersect of Ellis Avenue as now established 60.0 feet in width, and Warsaw Street as now established 60.00 feet in width; thence South  $12^{\circ}15'29''$  West along the centerline of Ellis Avenue 391.24 feet; thence South  $78^{\circ}11'31''$  East 345.00 feet to the Easterly margin of a service road right-of-way to the TRUE POINT OF BEGINNING; thence continuing along the same bearing along the common lease line of the U.S. Air National Guard South  $78^{\circ}11'31''$  East 122.56 feet; thence South  $69^{\circ}29'07''$  East 146.28 feet; thence North  $0^{\circ}01'35''$  West along the common property line of Seattle City Light a distance of 152.44 feet to the corner of a fence; thence South  $88^{\circ}20'07''$  West along said chain-link fence a distance of 103.85 feet; thence North  $79^{\circ}14'54.5''$  West 134.55 feet more or less to the Easterly right-of-way margin of a service road; thence running along said right-of-way margin South  $12^{\circ}15'29''$  West 100.85 feet to the TRUE POINT OF BEGINNING; said tract of land contains an area of 28,657 square feet, more or less."

An all metal building with approximately 1,334 square feet of office and rest-rooms, 2,538 square feet of ground floor storage/warehouse and 1,375 square feet of loft area storage/warehouse.

PARCEL "B"

"Commencing at the monumented centerline of right of way intersect of Ellis Avenue as now established at 60 feet in width and Warsaw Street as now established at 60 feet in width; thence South  $77^{\circ}44'56''$  East along the extended centerline of Warsaw Street right of way a distance of 345.00 feet, more or less, to the Easterly right of way margin of the frontage road, said right of way having a width of 41 feet; thence North  $12^{\circ}15'29''$  East along said Easterly margin a distance of 15.00 feet to the TRUE POINT OF BEGINNING; thence North  $89^{\circ}59'42''$  East along a line 85.3 feet from and parallel to the South face of the Ellis Avenue Building, a distance of 194.80 feet, more or less, to an existing chain-link fence; thence South  $0^{\circ}29'48''$  West along said fence a distance of 220.90 feet; thence South  $88^{\circ}20'07''$  West along a chain-link fence a distance of 103.85 feet; thence North  $79^{\circ}14'54.5''$  West along a chain-link fence a distance of 134.55 feet, more or less, to the Easterly right of way margin of a frontage road; thence North  $12^{\circ}15'29''$  East along said Easterly margin a distance of 203.35 feet, more or less, to the TRUE POINT OF BEGINNING; said tract of land contains an area of 46,934 square feet, more or less."

2. USE OF PREMISES. Lessee agrees to use the premises for the following purpose and for no other purpose without the prior written consent of Lessor:

Parcel A - Office and shop facilities, storage and parking for truck freight operation.

Parcel B - Truck and trailer parking and storage.

3. TERM. This lease creates a tenancy for a term of three (3) years beginning on April 1, 1979, with one three-year option.

ROUTE

DS. *DS*  
E. *4/19*  
TC. *ar*  
File.....

4. RENT. Lessee will pay rent for the premises \$1,550 for Parcel A, \$352.00 for Parcel B, for a total of \$1,902.00 per month together with the Washington State Leasehold Excise Tax, which is presently calculated as 12% of rental payments made, for a total monthly payment of \$2,130.24. The rent shall be payable on a monthly basis, in advance, on the first day of each month and wherever King County may designate.

To ensure for the premises a fair rent based upon the fair market value of the land, King County may adjust the rent to the current fair market rental value every three-years, the first adjustment to occur on the third anniversary of the beginning date of this lease, with subsequent adjustments, if any, to occur at three-year intervals thereafter.

For all purposes required under this lease, Fair Market Rental Value is defined as: An amount which in a competitive market, a well informed and willing Lessor who desires, but is not required to lease, would accept and which a well-informed and willing Lessee who desires but is not required to lease, would pay, for the temporary use of the premises, after due consideration of all the elements reasonably affecting value.

When it elects to adjust the rent, King County will give Lessee written notice of the adjusted rent. Within thirty (30) days following receipt of notice from King County, Lessee will give King County written notice of its acceptance or rejection of the adjusted rent. If Lessee does not notify King County within the thirty day period, the rent as adjusted by King County will be the rent for the respective five-year period. If Lessee and King County cannot agree upon the rent for the five-year period, the rent for the period will be adjusted by arbitration. Lessee and King County will select one arbitrator each, and the two selected arbitrators will select a third. If the two arbitrators have not selected a third arbitrator within thirty days after the selection of the last selected of the two, either Lessee or King County will apply to the Presiding Judge of the Superior Court in King County for the appointment of a third arbitrator. Each arbitrator will be a member of the American Institute of Real Estate Appraisers, or of the Society of Real Estate Appraisers, or of some equivalent body; but in the alternative, if in the future a licensing requirement for real estate appraisers is imposed by any legislative body, each arbitrator will be licensed. The three arbitrators will determine a fair rent for the premises based upon the fair market value of the land; but the arbitrators may not reduce the rent below the sum fixed for the last preceding period. The decision of a majority of the arbitrators will bind both Lessee and Lessor. At the conclusion of the arbitration, the arbitrators will submit written reports to Lessee and Lessor, which shall contain all pertinent evidence that led to their conclusion together with an explanation of their reasoning for such conclusion. The cost of the arbitration will be divided equally between Lessee and Lessor. The rent decided by negotiation or arbitration will take effect the first day of the respective three-year period for which the adjustment is being made.

In the event resolution of the rental adjustment is not completed prior to the commencement of the three-year term being considered, Lessee shall, pending resolution of such rental adjustment, continue to pay King County a monthly rental, which Lessee believes to be fair based upon the fair market value of the land, but which in no event shall be less than

the monthly rental in effect for the last preceding period; and King County, at its option, may elect to require that interest in the amount of ten percent (10%) per annum be payable on a portion of any sum due as a result of a retroactive rental increase determined under the terms of this lease, which portion is equal to the difference between the amount of monthly rental actually paid by Lessee and the higher amount of monthly adjusted rent, if any, finally determined by arbitration, such interest to accrue from the commencement of the three-year term being considered until the date on which any such additional sum is paid by Lessee. In the event Lessor executes at any time a lease which allows a board of arbitrators to set a rental readjustment figure in an amount less than the rental figure for the preceding three-year period or in the event King County amends any existing lease to permit the board of arbitrators to set a rental readjustment figure at a rate less than the rental rate for the preceding three-year period, Lessor shall advise Lessee of said new lease or amendment and shall amend paragraph 3 of this lease to permit the arbitrators to set a rental figure, as they deem it appropriate, at less than the rate for the preceding three-year period.

5. RENTAL SURETY. A rental surety bond or other surety acceptable to King County shall be required in the sum of Four Thousand Two Hundred and Sixty (\$ 4,260.00 ) dollars guaranteeing that Lessee shall faithfully make all payments due King County in accordance with the lease. In the event a bond is submitted, said bond shall be executed in a form satisfactory to King County by a surety company licensed to do business in the State of Washington, subject to the jurisdiction of the King County Superior Court and acceptable to King County. Any surety shall be bound by an attorney-in-fact, resident in the State of Washington. The seal of the bonding company is required on the bond. Said surety shall be delivered to and approved by King County no later than April 1, 1979, or this lease shall be null and void and Lessor shall have the right to re-enter and repossess the premises immediately and without further notice.

Amended 8-X-79

6. MAINTENANCE. Lessee shall keep and maintain the leased premises and all areas used on the Airport in good and sanitary order and repair and in a good, safe and presentable condition consistent with the highest of business practices.

7. ALTERATIONS. Lessee shall not improve or alter the premises in any manner without the prior written consent of King County but shall, before making any improvements or alterations, submit plans and designs therefore to King County for approval. In the event the plans and designs are disapproved, such improvements or alterations shall be made only with such changes as may be required by King County. Unless otherwise stipulated, all improvements or alterations erected or made on the premises shall on expiration or sooner termination of this Lease belong to King County without compensation to Lessee; provided however that King County shall have the option to be exercised on expiration or sooner termination of this Lease, to require Lessee to remove any and all such improvements or alterations.

8. LESSOR MAINTENANCE OBLIGATIONS. Lessor shall maintain the building roof and exterior walls, sidewalks, auto parking area, covered by this Lease. Accordingly, Lessee shall, throughout the term of this Lease, without cost or expense to Lessor, keep and maintain the leased premises and all improvements, landscaping, fixtures and equipment which may now or hereafter exist thereon, in good and sanitary order and repair and in a good, safe and presentable condition consistent with the highest of business practices. If after thirty days notice from Lessor, Lessee

fails to maintain or repair any part of the leased premises or any improvement, landscaping, fixtures or equipment thereon, Lessor may, but shall not be obligated to, enter upon the leased premises and perform such maintenance or repair and Lessee agrees to pay the costs thereof to Lessor upon demand.

9. ACCEPTANCE. Lessee has examined the leased premises and accepts the premises as being fully adequate in every respect.

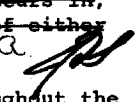
10. HOLD HARMLESS. Lessee agrees to protect and save King County, its elected and appointed officials and employees while acting within the scope of their duties as such, harmless from and against all claims, demands, and causes of action of any kind or character, including the cost of defense thereof, arising in favor of Lessee's employees or third parties on account of personal injuries, death or damage to property arising out of the premises occupied by Lessee or the Lessee's equipment or the Lessee's products or the containers of the products, or in any way resulting from the acts or omissions of the Lessee and/or its agents, employees or representatives.

11. INSURANCE. Lessee shall obtain and maintain continuously public liability insurance and/or other insurance necessary to protect the public, with limits of liability not less than:

\$100,000 each person, personal injury  
\$300,000 each occurrence, personal injury  
\$500,000 each occurrence, property damage

or a combined single limit of \$1,000,000 each occurrence, bodily injury and/or property damage.

Such insurance shall include King County as an additional insured and shall not be reduced or cancelled without thirty (30) days written prior notice to King County. The Lessee shall provide a certificate of insurance, or upon written request of the County a duplicate of the policy as evidence of insurance protection provided.

~~12. MUTUAL WAIVER OF SUBROGATION. Lessee and King County, Washington, Lessee and Owner respectively of those certain premises herein legally described for and in consideration of the execution hereof by each of said parties, do each herewith and hereby release and relieve the other, and waive its entire right of recovery against the other for loss or damage to property arising out of or incident to fire, lightning and the perils included in the extended coverage endorsement, which occurs in, on or about the said premises, whether due to the negligence of either of said parties, their agents or employees or otherwise.~~ S.C.A. 

13. TAXES, LICENSES, PERMITS. Lessee agrees to pay throughout the term of this lease all lawful taxes, fees or impositions of whatever character that may be levied or charged upon Lessee's leasehold improvements, property, sales, revenues, payroll, occupation or any activities or operations arising out of this lease, the Lessee's use of the leased premises, or Lessee's rights to use the leased premises. Lessee agrees to obtain and pay for all licenses or permits necessary or required by law for the construction or reconstruction of improvements, the installation or reinstallation of equipment or furnishings and any other licenses or permits necessary or required by law for the conduct of its operations hereunder.

14. COMPLIANCE WITH ALL LAWS AND REGULATIONS. In using the premises, Lessee will comply with all applicable laws, ordinances and regulations, from any and all authorities having jurisdiction. The Lessee specifically agrees to make such compliance without any notice of requirement or requirements from the Lessor, and that the Lessor does not waive this section by giving notice of demand for compliance in any instance.

15. LIENS. Lessee will keep the premises free from any liens arising out of obligations incurred by the Lessee. Upon written request from King County, Lessee will furnish written proof of payment of any charge which, if not paid, could provide the basis for a lien on the premises.

16. ASSIGNMENT OR SUBLEASE. Lessee shall not assign, transfer, sublease, pledge, hypothecate, surrender or otherwise encumber or dispose of this lease or any estate created by this lease, or any interest in any portion of the same, or permit any other person or persons, company or corporation to occupy the premises, nor shall this lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the written consent of the County being first obtained. Consent by King County shall not be unreasonably withheld. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this lease one-half (1/2) or more of the outstanding shares of any class of stock of Lessee corporation shall belong to any stockholders other than those who own one-half (1/2) or more of the outstanding shares of that class of stock at the time of the execution of this lease or to members of their immediate families, such change in the ownership of the stock of the Lessee shall be deemed an assignment of this lease within the meaning of this paragraph. If the County shall give its consent to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the County's consent. If Lessee desires to assign or transfer this lease or any interest therein, it shall notify King County in writing of said desire to assign or transfer and the details of the proposed agreement, at least thirty (30) days prior to the proposed date of assignment or transfer to a third party. The notification shall include, but need not be limited to a financial statement of the proposed Assignee, a statement and economic analysis of the proposed agreement between Lessee and its Assignee including but not limited to a full disclosure of the monetary payment or any other considerations involved, and an executed Affidavit from the proposed Assignee stating it has examined this lease, understands this lease, agrees to assume and be bound by all of the Lessee's obligations and covenants under this lease, the same as if it were the original Lessee hereunder, and the proposed date of assignment, transfer or sublease. The Lessor will review the request and respond with either an approval or disapproval of the request not later than five (5) days prior to the proposed date. Disapproval of any such request shall be final and binding on the Lessee and not subject to any further arbitration procedure, provided that any approval shall not be unreasonably withheld.

17. TERMINATION DEFAULTS. If Lessee files a petition in bankruptcy, or if Lessee is adjudged bankrupt or insolvent by any court, or if a receiver of the property of Lessee is appointed in any proceeding brought by or against Lessee, or if Lessee makes an assignment for the benefit of creditors, or if any proceedings are commenced to foreclose any mortgage or any other lien on Lessee's interest in the premises or on any personal property kept or maintained on the premises by Lessee, or if

Lessee defaults in the performance of any of its obligations under this lease, King County may terminate this lease by written notice to Lessee and re-enter and take immediate possession of the premises without process of law.

Time is of the essence of this lease, and in the event of the failure of Lessee to pay the rentals or other charges at the time and in the manner herein specified, or to keep any of the covenants or agreements herein set forth, the Lessee shall be in default.

If Lessee has defaulted in the performance of any of its obligations under this lease, King County may terminate this lease under the provisions of this paragraph. King County will give Lessee thirty (30) days notice in writing stating the nature of the default to permit Lessee to remedy the default within the thirty-day period. In the event Lessee fails to cure said default, King County may, at any time after the expiration of the thirty days, terminate said lease, on written notice.

18. TERMINATION BY KING COUNTY. King County reserves the right to cancel this lease upon twelve (12) months notice in writing to the Lessee or the persons in possession of the premises if the premises are required by King County for the improvement or development of Boeing Field/King County International Airport for public airport uses and purposes, and under such cancellation the Lessee or persons in possession of premises shall be reimbursed by King County for the fair market value, as defined in this provision, of any improvements placed on the premises by the Lessee in accordance with the terms of this lease. In the event that King County and Lessee cannot agree upon the value of said improvements, King County and Lessee shall submit to have the fair market value adjusted by arbitration in the manner following, to-wit:

Lessee and King County will select one arbitrator each within thirty (30) days after notice by either party given to the other of intention to proceed to arbitration, and the two selected arbitrators will select a third. If the two arbitrators have not selected a third arbitrator within thirty (30) days after the selection of the last selected of the two, either Lessee or King County will apply to the Presiding Judge of the Superior Court in King County for the appointment of a third arbitrator. Each arbitrator will be an impartial qualified real estate appraiser. Each arbitrator will be a member of the American Institute of Real Estate Appraisers, or of the Society of Real Estate Appraisers, or of some equivalent body; but in the alternative, if in the future a licensing requirement for real estate appraisers is imposed by any legislative body, each arbitrator will be licensed. The three arbitrators will determine a fair value for the improvements based upon the fair market value of the improvements. The decision of the majority of the arbitrators will bind both Lessee and King County. At the conclusion of the arbitration, the arbitrators will submit written reports to Lessee and Lessor, which shall contain all pertinent evidence that led to their conclusion together with an explanation of their reasoning for such conclusion. The cost of the arbitration will be divided equally between Lessee and King County.

Fair Market Value is defined as: The price property will bring when offered for sale by one who desires, but is not required to sell, and is sought by one who desires, but is not required to buy, after due consideration of all the elements reasonably affecting value, one of such elements being the fact that Lessee's interest in said improvements is a leasehold interest.

19. CONDEMNATION.

(a) If all of the premises is taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this lease, this lease terminates as of the date condemnor takes possession. If part of the premises is taken by any lawful authority under the power of eminent domain for a period which will end on or extend beyond the expiration of the term of this lease, King County or Lessee may choose to terminate this lease as of the date the condemnor takes possession. If either King County or Lessee elects to terminate this lease under this section, the rent and other charges to be paid by Lessee will be apportioned by King County and paid by Lessee to the date of termination. If neither King County nor Lessee elects to terminate this lease, the rent will be reduced in the same proportion that the value of the portion of the premises to be taken bears to the value of the entire premises as of the date condemnor takes possession.

(b) If the taking is for a period which will end on or extend beyond the expiration of the term of this lease, Lessee will have no claim or interest in or to any award of damages for a whole or partial taking of the premises, except that the Lessee shall be entitled to an amount equal to the fair market value to the lease of any improvements taken by the condemnor, except trade fixtures, made to the premises by Lessee, ~~but not to exceed the amount of that part, if any, of the award attributable to the value of the improvements.~~ *205A*

(c) If temporary use of all or part of the premises is taken by any lawful authority under the power of eminent domain for a period ending before the expiration of the term, this lease shall continue in full force, and Lessee shall be entitled to receive any award from the condemnor for the use of all or part of the premises.

(d) King County and Lessee shall give to the other immediate written notice of the receipt of notice of any proceedings with respect to a condemnation and of any intention of any authority to exercise the power of eminent domain.

20. WAIVER. The acceptance of rent by King County for any period or periods after a default or of performance of any covenant of this lease after a default by Lessee shall not be considered a waiver of the default unless King County gives Lessee written notice that the acceptance is a waiver. No waiver by King County of any default by Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee.

21. LITIGATION COSTS. In the event either party hereto brings suit or any action against the other party by reason of a default hereunder or a breach of any provision hereof, or to recover any rent or other monies due hereunder or to recover possession of the leased premises, or to obtain any other relief, declaratory or otherwise, arising out of this lease, then each party, regardless of which party prevails in such suit or action, shall be responsible for and pay its own attorney's fee and its own costs and expenses expended and incurred in connection with such suit or action, including appeals.

Any action arising under this lease shall be brought in King County, Washington.

22. CUMULATIVE REMEDIES. No provision of this lease precludes King County from pursuing any other remedies for Lessee's failure to perform its obligations.

23. HEIRS, AGENTS AND ASSIGNS. Without limiting any provisions of this lease pertaining to assignment and subletting, the provisions of this lease bind the heirs, legal representatives, successors, agents and assigns of any of the parties to this lease.

24. SURRENDER. Lessee shall, upon expiration or sooner termination of this agreement, quit and deliver up the leased premises to Lessor peaceably, quietly and in as good order and condition as the same now are or may hereafter be improved by Lessor or Lessee, reasonable use and wear thereof excepted.

25. HOLDING OVER. If Lessee, with the consent of King County, holds over after the expiration or other sooner termination of this lease, the resulting tenancy shall be a month-to-month tenancy, the amount of rent to be paid shall be determined by the Lessor but shall not be less than the last rent paid under this agreement, as it may be amended. Rent adjustments, notice of termination of the tenancy by either party and notice by Lessor of changes in the conditions of tenancy shall all require at least thirty (30) days notice. During such month-to-month tenancy, rent shall be paid on the first of each month, in advance, at whatever location Lessor may designate, and all provisions of this lease shall apply.

26. PUBLIC USE AIRPORT. The premises and Boeing Field/King County International Airport are subject to the terms of certain sponsor's assurances made to guarantee the public use of the public airport area of Boeing Field/King County International Airport as incidental to grant agreements between King County and the United States of America; provided, that in the event at any time during the term of this lease the terms of such assurances should effectively prohibit Lessee's use of the premises in the general manner contemplated by the parties to this lease, then such effective prohibition shall be considered as a taking by the public and the Lessee or the person or persons in lawful possession of the premises may, upon thirty (30) days prior written notice given to Lessor, terminate this lease. Upon such termination, the Lessee or person or persons in lawful possession of the premises shall be compensated in the manner set forth in Section 19 of this lease and in accordance with the definition of Fair Market Value and arbitration procedure set forth in Section 19 of this lease, for the Fair Market Value of its rights of operation under the terms and conditions of this lease, together with the Fair Market Value of its property rights, if any, in the remaining useful life, if any, of the leasehold improvements placed on the premises by the Lessee in accordance with the terms and conditions of this lease.

27. RIGHT OF FLIGHT. There is hereby reserved to the Lessor, its successors and assigns, for the use and benefit of the Lessor and the public a right of flight for the passage of aircraft in the air space above the surface of the premises herein leased, together with the right to cause in said air space such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said air space or landing at, taking off from and operating aircraft on or over Boeing Field/King County International Airport all in accordance with applicable safety and operating regulations of said airport and the Federal Aviation Administration.



28. EMPLOYEE CONDUCT. Lessee shall use its best efforts, including the application of appropriate discipline, to ensure that its employees and agents fully comply with the rules and regulations of Boeing Field/King County International Airport. Lessee shall not employ any person or persons in or about the leased premises who use improper language or act in a loud, boisterous or otherwise improper manner. Lessee agrees to dispense with the services of any employee whose conduct is detrimental to the best interests of Boeing Field/King County International Airport.

29. NON-DISCRIMINATION. In all hiring or employment made possible or resulting from this agreement, there shall be no discrimination against any employee or applicant for employment because of sex, age, race, color, creed, national origin, marital status or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupational qualification, and this requirement shall apply to but not be limited to the following: employment, advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

No person shall be denied, or subjected to discrimination in receipt of the benefit of any services or activities made possible by or resulting from this agreement on the ground of sex, race, color, creed, national origin, age except minimum age and retirement provisions, marital status, or the presence of any sensory, mental or physical handicap.

Lessee shall be bound by the regulations of the Secretary of Transportation pertaining to non-discrimination in federally-assisted programs as delineated in 49 Code of Federal Regulations, Chapter 21 and appendices thereto (formerly FAA Regulations, Part 15).

Any violation of this provision shall be considered a violation of a material provision of this agreement and shall be grounds for cancellation, termination or suspension in whole or in part, of the agreement by King County and may result in ineligibility for further County agreements.

Lessee agrees to charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; provided, that Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

Lessee will comply with all other applicable City, County, State and Federal anti-discrimination laws, rules, regulations and requirements thereof.

30. ADVANCES BY KING COUNTY FOR LESSEE. If Lessee fails to pay any fees or perform any of its obligations under this lease, King County will mail notice to Lessee of its failure to pay or perform. Thirty (30) days after mailing notice, if Lessee's obligation remains unpaid or unperformed, King County may pay or perform these obligations at Lessee's expense. Upon written notification to Lessee of any costs incurred by King County under this paragraph, Lessee will promptly reimburse King County.

31. SEVERABILITY. If any term or provision of this lease or the application of any term or provision to any person or circumstance is invalid or unenforceable, the remainder of this lease, or the application of the term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected and will continue in full force.

32. OWNERSHIP OF LEASEHOLD IMPROVEMENTS.

(a) Upon the expiration of the term of this lease or upon the sooner termination thereof pursuant to any of the termination provisions set forth above, King County shall take and have title to all improvements then located upon the premises; provided, however, that upon the expiration of the term of this lease or upon the sooner termination thereof pursuant to the provisions of paragraph 18 or 19 above, King County shall be entitled, upon its specific written request given to Lessee two (2) months in advance in the case of expiration of the lease term, to have the leased premises returned to it clear of all leasehold improvements placed on the premises by Lessee and which are then located upon said premises, in which event title to all of said leasehold improvements shall remain in and with Lessee; provided further, that nothing in this paragraph 32 (a) shall modify or defeat Lessee's right to appropriate compensation as provided under paragraphs 18, 19 and 26 above.

(b) If King County requests such removal, Lessee shall complete the same within sixty (60) days after the termination of this lease. If Lessee fails to so remove said leasehold improvements within said sixty days, they may be removed thereafter by King County and Lessee agrees to pay King County the cost thereof upon demand, together with the maximum interest allowed by Washington State law.

(c) If Lessee is not in default hereunder, Lessee shall have the right to remove during the term hereof any and all trade fixtures which Lessee may have placed or installed upon the leased premises; provided, however, that upon said removal, Lessee shall repair, at Lessee's own expense, any damage resulting therefrom and leave the leased premises in a clean and neat condition.

33. UTILITIES. Lessee shall be responsible for the costs of all utility services, including but not limited to, water, sewer, gas, electricity, telephone and oil, and remove all wastes and garbage at its own expense.

~~34. ALTERATIONS. No improvement shall be erected or placed on the leased premises and no alterations will be made in the improvements and facilities constructed or to be constructed on the leased premises without the prior written approval of King County.~~ XDG. *fls*

35. SIGNS. No sign, advertisement, notice, lettering or advertising device shall be exhibited, inscribed, painted or affixed by Lessee on any part of the premises without the prior written consent of King County; provided, that such consent shall not be unreasonably withheld. If Lessee violates this provision, King County may remove the sign without any liability, and may charge the expense incurred by such removal to the Lessee; provided, however, King County shall give Lessee written notice of Lessee's violation of this provision and Lessee shall have forty-eight (48) hours after receiving said notice to comply with the terms of this provision, before King County may remove said signs. All signs erected or installed by Lessee shall be subject to any federal, state or local statutes, ordinances or regulations applicable to signs.

36. INSPECTIONS-ACCESS. King County reserves the right to inspect the leased premises at any and all reasonable times throughout the term of this lease; provided, that it shall not interfere unduly with Lessee's operations. The right of inspection reserved to King County hereunder shall impose no obligations on King County to make inspections to ascertain the condition of the premises, and shall impose no liability upon King County for failure to make such inspections.

37. "LESSEE" INCLUDES LESSEES. It is understood and agreed that for convenience the word "Lessee" and verbs and pronouns in the singular number and neuter gender are uniformly used throughout this lease, regardless of the number, gender or fact of incorporation of the party who is, or of the parties who are, the actual Lessee or Lessees under this agreement.

38. CAPTIONS. The captions in this lease are for convenience only and do not in any way limit or amplify the provisions of this lease.

39. NOTICES. All notices hereunder may be delivered or mailed. If mailed, they shall be sent certified or registered mail to the following respective address:

LESSOR: King County Executive  
c/o Real Property Division  
500A King County Administration Building  
500 Fourth Avenue  
Seattle, Washington 98104

LESSEE: Famco Transport, Inc.  
6640 Ellis Avenue South  
P. O. Box 80007  
Seattle, Washington 98108

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

40. ENTIRETY. This lease contains the entire agreement between Lessor and Lessee, and there are no promises, conditions, terms, obligations, statements or guarantees other than those contained herein. No modifications or amendments shall be valid unless in writing and fully executed by both parties.

41. APPROVAL BY KING COUNTY. Both Lessee and Lessor recognize this instrument contains many provisions which refer to the necessity of Lessee obtaining the consent or approval of Lessor prior to Lessee performing certain acts or instituting changes in Lessee's operation or other activities. It is agreed by Lessee and Lessor that on any

occasion or occurrence in which the consent of the Lessor is required by the terms of this instrument that said consent shall not be unreasonably withheld by King County.

IN WITNESS WHEREOF, this lease is executed in triplicate on behalf of King County by the County Executive and by its duly authorized officer(s) on behalf of the Lessee.

LESSOR: KING COUNTY, WASHINGTON

By *[Signature]*  
JOHN D. SPELMAN, County Executive

Date 4 April 1979

STATE OF WASHINGTON }  
COUNTY OF KING } ss.

On this day personally appeared before me *John D. Spellman* to me known to be the \_\_\_\_\_ County Executive of King County, Washington, the person who signed the above and foregoing instrument for King County for the uses and purposes therein stated and acknowledged to me that he signed the same as the free and voluntary act and deed of King County and that he was authorized to so sign.

GIVEN under my hand and official seal this 4th day of April, 1979.

*Linda Zarik*  
NOTARY PUBLIC in and for the State of  
Washington, residing at *Seattle*.

APPROVED AS TO FORM

By *[Signature]*  
Deputy Prosecuting Attorney

Date 30 March 1979

LESSEE: Famco Transport, Inc.

By William J. Gallagher  
Title Pres. & Secy

By \_\_\_\_\_  
Title \_\_\_\_\_

Date 3-26-79

STATE OF WASHINGTON I  
COUNTY OF KING I ss.

On this day personally appeared before me \_\_\_\_\_  
and \_\_\_\_\_ to me known to be the  
\_\_\_\_\_ and \_\_\_\_\_, respectively,  
of \_\_\_\_\_, the corporation  
that executed the foregoing instrument, and acknowledged the said  
instrument to be the free and voluntary act and deed of said corporation  
for the uses and purposes therein mentioned, and that they were  
authorized to execute the said instrument.

GIVEN under my hand and official seal this \_\_\_\_\_ day of  
\_\_\_\_\_, 1979.

NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_.